AMENDMENTS TO THE CLAIMS

This listing of claims will replace all prior versions and listings of claims in the application;

- --1. (Currently Amended) A portable terminal unit comprising:
 - a case main body;
- a lid portion foldable in a first rotational direction through a hinge portion with respect to said case main body, wherein said lid portion is rotatably installed by said hinge portion on said case main body in a second rotational direction intersecting perpendicularly with said first rotational direction;
 - a display provided on said lid portion; and
 - a picture taking device located on said case main body.
- --2. (Previously Presented) The portable terminal unit according to claim 1, wherein said picture taking device is located on a rear face of a flat portion of said case main body.
- --3. (Previously Presented) The portable terminal unit according to claim 1, wherein said picture taking device is located on a side face of said case main body.
- --4. (Previously Presented) The portable terminal unit according to claim 1 further comprising:

an operating device for selecting a menu item by moving a

cursor on a menu displayed on said display, wherein said menu item is selected by pressing the operating device, and wherein

- a picture taking mode for taking a picture is selected by operating said operating device and a picture is taken with said picture taking device by pressing said operating device.
- --5. (Previously Presented) The portable terminal unit according to claim 4 further comprising an image encoding/decoding device for encoding a taken picture to generate an encoded image.
- --6. (Original) The portable terminal unit according to claim 5 further comprising a data transmitting device for transmitting said encoded image.
- --7. (Original) The portable terminal unit according to claim 4 further comprising an image encoding/decoding device for encoding a taken picture to generate an encoded image and storing said encoded image in a memory.
- --8. (Original) The portable terminal unit according to claim 7, wherein an image to be transmitted is selected by operating said operating device.
- --9. (Previously Presented) The portable terminal unit according to claim 8, wherein the image selected by operating said operating device is displayed on said display prior to transmission.

--10. (Previously Presented) The portable terminal unit according to claim 9, wherein the image selected by operating said operating device is read out from said memory as an encoded image encoded by said encoding/decoding device and a decoded image is displayed on said display after decoding said encoded image.